the budget deficit and looked forward to further improvement in this direction. However, no specific suggestions were made in this regard.

Evasion of tax by reputed consumer goods manufacturing companies

1950. SHRI MOHINDER SINGH LATHER:

SHRI CHATURANAN MISHRA:

SHRI N. E. BALARAM:

Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that companies of repute manufacturing consumer goods such as toothpastes, shampoos, soaps, detergents etc., in the country have been evading tax on a large scale as reported in the Economic Times of 30th May, 1989;

(b) if so, what are the details thereof stating the names of the companies involved in the evasion of Central taxes and the estimated amount of tax evasion by these companies annually;

(c) what is their modus operandi; and

(d) what action has been taken by Government against such companies?

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI AJIT PANJA): (a) and (b) The news item of "Economic Times" relates to evasion of both Central Excise duties and Sales tax. Sales tax being subject is not the concern of Union Government. As regards evasion of Central Excise duties, the names of companies alongwith details of Central Excise duty allegedly evaded by them are given in the statement (*See* below).

(c) The modus operandi adopted by the above companies for evading Central Excise duties were wrong availment of small scale exemption, clandestine removals, mis-declaration of products and under-valuation.

(d) 5 cases out of those referred to in the Annexure have since been adjudicated confirming duty amounting to Rs. 4.42 crores, imposing penalty totalling Rs. 40 thousand and fine totalling Rs. 50 thousand. The other cases are either pending adjudication or are tied up with Courts.

Statement

Evasion of tax by reputed consumer goods manufacturing companies

S. No.	Name of the Company	Amount of evasion of Central Excise duty detected (Rs. in lakhs)
1	2	3
1.	Adhunik Detergent Pvt Ltd.,	26.00
2.	M/s. Arya Vaidya Pharmacy (Coimbatore) Ltd ., Kanjikode	
3.	M/s. Arya Vaidya Sala, Kottakkal, Kalappuram	43.65
4.	Detergent & Chemicals, Maharashtra	1.06
5.	M/s. Flash Laboratories Ltd , Bahadurgarh	17.22
6.	M/s. Godrej Soaps Pvt. Ltd., Bombay	
7.	M/s. Dento Plast Industries, Kota	

1	2	3
8.	M/s. Morning Care, Kota	170.33
9.	M/s. Plasto Chem. Industries, Kota	
10.	M/s. Sunil Enterprises, Jaipur.	
11.	M/s. Resham Enterprises, Jaipur.	
12.	M/s. M.A. & A. Company, Thane.	
13.	M/s. Hindustan Lever Ltd., Srinagar	1.69
14.	M/s. Hindustan Lever Ltd., Khamgaon.	
15.	M/s. M.G. Shahani & Co., (Delhi) Pvt. Ltd., Faridabad	401.78
16.	M/s. Nagpur Detergent Pvt. Ltd., Nagpur	8.24
17.	M/s. Nicholas Laboratories (I) Ltd., Bombay	189.14
18.	M/s. Tamil Nadu Dadha Pharmaceuticals Ltd. Dadha Nagar, Madras.	
19.	M/s. Plus Cosmetics Ltd., Kanpur	8.84
20.	Prakash Fragrances Pvt. Ltd., Maharashtra	1.69
21.	M/s. Swastik Household & Industrial Products at Ambarnath, Vapi & Madras	816.86
22.	Tidewater Detergent Co., Maharashtra	34.08
23.	Urisan Processors, Maharashtra	20.87
24.	M/s. Velvette Group of Companies, Pondicherry	180.87
25.	M/s. Vicco Labs., Dombi Vile	415.00
	TOTAL	2337.32

Applications received by RBI for opening New Urban Cooperative Bank and its branches

1951. SHRI PRAMOD MAHAJAN: Will the Minister of FINANCE be pleased to state:

(a) how many applications for the opening of new Urban Cooperative Banks and for opening branch of existing urban Cooperative Banks were received by the Reserve Bank of India during the last three years, yearwise;

(b) how many applications were accepted and how many were rejected; and

(c) by when the pending applications are likely to be cleared?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) and (b) Based on the report received from the Reserve Bank of India (RBI), a statement showing year-wise number of applications received by them for opening of new Urban Co-operative Banks and for opening branches of existing Urban Co-operative Banks during the last three years and the number of applications accepted and rejected out of the above is given in the Annexure [*See* Appendix CLI, Annexure No. 124]

(c) The decision on eligible applications is a continuous process and is expected to be completed before the end of the current plan period i.e. 31st March,